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RHMFISS/FAA NATIONAL HQ WASHINGTON DC
RHMFISS/HQ USSOUTHCOM MIAMI FL
RUCPDOC/DEPT OF COMMERCE WASHINGTON DC

C O N F I D E N T I A L SECTION 01 OF 02 CARACAS 001461

SIPDIS
HQ SOUTHCOM ALSO FOR POLAD
COMMERCE FOR 4332/MAC/WH/JLAO
TREASURY FOR RJARPE
NSC FOR RKING
AMEMBASSY BRIDGETOWN PASS TO AMEMBASSY GRENADA
AMEMBASSY OTTAWA PASS TO AMCONSUL QUEBEC

E.O. 12958: DECL: 2019/11/17
TAGS: <u>EAIR ECON ETRD PREL SNAR VE CO BEXP EINT ETTC</u>
SUBJECT: VENEZUELAN AIRLINE NO LONGER AUTHORIZED TO MAKE UNSCHEDULED FLIGHTS TO COLOMBIA

CLASSIFIED BY: DUDDY, AMBASSADOR, DOS, AMB; REASON: 1.4(B), (D)

11. (C) SUMMARY: According to a senior executive of Venezuelan cargo carrier Vensecar, the Government of Colombia (GOC) has retaliated against a September 10 decision by the Government of the Bolivarian Republic of Venezuela (GBRV) that it would no longer authorize unscheduled flights by Colombian airlines to Venezuela. As a result, Vensecar is currently the only cargo airline working in this market. On November 6, the Colombian Civil Aviation Authority reportedly stopped authorizing unscheduled flights by Vensecar to Colombia although the carrier continues to operate regularly-scheduled cargo flights. The Colombian Civil Aviation Authority initially had also suspended overflight rights of Venezuelan cargo planes, but quickly rescinded the measure. On a separate note, the GBRV approached Vensecar to propose a cargo flight routing to Caracas-Havana-Managua. END SUMMARY.

RETALIATION

(C) Vensecar president Reinaldo Marquez (protect) told EconOff that he believes the Government of Colombia's (GOC) November 6 refusal to approve unscheduled flights was taken in retaliation against GBRV September 10 announcement that it would no longer authorize Colombian airlines to make unscheduled flights (both passenger and cargo) to Venezuela. This mainly affected Colombian passenger airline Avianca and the larger Colombian cargo airlines (Tampa, Aerosucre, and Lineas Aereas Suramericanas). Colombian airlines used unscheduled flights to service the Venezuelan market as the Venezuelan process to petition to regularize a flight is expensive and time-consuming when compared to the process to request permission for an unscheduled flight. [NOTE: According to our reading of Colombian aviation regulations, application for an unscheduled flight must be submitted 48 hours in advance; the Colombian Aviation Authority then has three days to administratively approve the request. END NOTE] For the past few years, Colombian cargo airlines have been making on average two or three unscheduled flights per day to Venezuela according to Marquez. After the GBRV announced it would stop approving unscheduled flight requests for Colombian airlines in September, Vensecar was the only provider servicing the two markets. According to Miguel Parra (protect) at LAN Cargo, there have been rumors that the Colombian airlines had pressured the Colombian Civil Aviation Authority to take retaliatory action against the GBRV.

- 13. (C) Marquez stated that Vensecar would not increase the number of regular flights serving the Colombian market, but would raise its cargo rates instead. Prior to the Colombian action, Vensecar made on average seven unscheduled flights a week to Colombia which supplemented its regular daily flight. Marquez claimed that the recent decision has not severely affected business.
- 14. (C) Marquez stated that the initial decision to suspend overflight rights was immediately felt even though it was temporary. As DHL's main carrier to Panama from Europe, Vensecar needed Colombian overflight authorization to reach Panama or else it would have to take a more circuitous route through Jamaican airspace to approach Panama from a different direction, substantially increasing costs. Marquez claimed Vensecar postponed two flights to Panama until the "unlawful" suspension of overflight rights was rescinded.

GBRV PROPOSAL

15. (C) Marquez mentioned that the GBRV had approached Vensecar in September to propose a Caracas-Havana-Managua flight. The GRBRV has reportedly made a similar proposal to other Venezuelan airlines. Vensecar replied that it did not have sufficient planes

CARACAS 00001461 002 OF 002

to add this flight.

16. (C) COMMENT: Vensecar is the only Venezuelan cargo airline servicing the Venezuela-Colombia market and presently, the only cargo airline in the market. A further reduction in its flights is indicative of the eroding trade and strained bilateral relations between the two governments. Unless the GBRV reverses its ban on Colombian air cargo providers or a Colombian carrier navigates the maze of GBRV approvals needed to launch regularly-scheduled cargo service, Vensecar will remain the sole provider in these markets.